



Staff Report

TO: Mayor, and City Council Members
FROM: Todd Parton, City Manager
DATE: February 18, 2020
SUBJECT: **Resolution of Support and Authorization of a \$10,000 Sponsorship Package for the 2020 IOA Championship Presented by Morongo Casino Resort & Spa**

Background and Analysis:

City Council requested that the City's sponsorship of the IOA Championship Presented by Morongo Casino Resort & Spa (Tournament) be placed on an agenda for discussion. The Tournament is an LPGA qualifying event that has been held at the Tukwet Golf Course since 2013. The City of Beaumont has provided support to the Tournament over the past years but has not been an official sponsor.

City staff has been working with representatives of the Tournament and the Morongo Casino Resort & Spa about draft a sponsorship package. Attached to this memorandum is a summary sheet showing what the City's proposed sponsorship package would include, presuming a sponsorship in the amount of \$10,000 for this year's event. Key elements of the package include:

1. Community marketing via social media, web exposure and other marketing targeted by the City of Beaumont;
2. Establishment of the "Council Cup," a challenge event between City Council representatives of the Cities of Banning, Beaumont and Calimesa during the Official Pro-Am event scheduled for March 16 where Beaumont would be officially hosting its neighboring City Council peers; and
3. Creation of a signature community event, the "Taste of Beaumont," to be held during one night of the Tournament.

City staff's evaluation process included asking 13 specific due diligence questions of the Morongo Casino Resort & Spa. Those questions and responses, dated February 6, 2020, are included as an attachment to this memorandum.

The Tournament in Beaumont is the second of 20 scheduled events for 2020. These events are held throughout the United States and culminate with the Symetra Tour Championship in Daytona Beach, Florida in October. Beaumont's event is one of two tour events that occur on the West Coast, the other being in Windsor, California in April. More than 140 pro golfers from around the world participate in the tour each year. Participants often come from Asia, Europe, North America, Central America and South America.

The sponsorship package provides the following benefits to the City of Beaumont:

1. Significant media and marketing exposure, some of which would be to targeted markets;
2. Draw for regional, national, and international tourism with exposure to many parts of the world;
3. Creation of another high-quality, free regional event that will provide exposure to local businesses; and
4. Establishment of a local challenge event that will foster positive relationships with the elected representatives of Banning and Calimesa.

City staff proposes to allocate Transit Occupancy Tax (TOT) proceeds to any approved City Council sponsorship amount. Year to date TOT revenues are \$151,214.91 of the \$263,925.01 budgeted for this year. It is anticipated that actual revenues for this fiscal year will actually be around \$300,000. Total TOT revenues for FY2018-2019 were \$335,303.62.

Fiscal Impact:

Should the City Council approve the resolution and authorize a sponsorship package, cost to the City will be \$10,000 plus event insurance premiums of up to \$1,000 (depending on the type and level of coverage) and staff time estimated to be \$1,950 of indirect costs.

Recommended Action:

Sponsorship of the IOA Championship Presented by Morongo Casino Resort & Spa provides a public benefit to the City of Beaumont and may be authorized by the City Council. Additionally, the marketing exposure and establishment of another signature event is consistent with the City Council's goals and objectives. Therefore, City staff recommends approval of the resolution and authorization to enter into a sponsorship agreement for the 2020 event in the amount of \$10,000.

Attachments:

- A. Resolution of Support for the 2020 IOA Championship Presented by Morongo Casino Resort & Spa
- B. Due Diligence Questions Dated February 6, 2020
- C. Sponsorship Package Summary Sheet
- D. 2020 Tournament Schedule